

## I. EXECUTIVE SUMMARY

**B.     Statewide Mission: USC Salkehatchie Campus values its role as a part of the University of South Carolina system, bringing the programs, resources, and opportunities of the University to the local service area of Allendale, Bamberg, Barnwell, Colleton, and Hampton Counties, along with the USC Salkehatchie mission of providing undergraduate and graduate coursework. The USC Salkehatchie service area is rural, economically depressed, and ranks low in most educational and quality of life indicators. Thus, the campus presence and the opportunities provided are extremely important, and the campus administration recognizes the need to integrate educational and economic development efforts in the service area.**

**(3) Sustain and expand community partnerships that will support economic development.**

[illegible]

Summary of Operating Budget Priorities for FY 2007-08:		FUNDING					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No.: <b>2</b>	Title: <b>Academic and Institutional Support</b>	0	122,696	0	0	\$122,696	0	0	0	0.00
Strategic Goal No. Referenced in <u>Item C Above (if applicable): 2</u> Activity Number & Name: <b>532 Academic Support</b> <b>533 Student Services</b> <b>538 Institutional Support</b>										
TOTAL OF ALL PRIORITIES		\$ 0	\$222,696	\$ 0	\$ 0	\$222,696	0.00	0.00	0.00	0.00

E. Agency Recurring Base Appropriation:

State \$ **2,149,911**

Federal\$ **1,744,284**

Other \$ **4,413,597**

F. Efficiency Measures: **SC Commission on Higher Education Performance Funding for 2005-06: 2.63 of 3.0 - 88% - Exceeds**  
(This is the last year that the South Carolina Commission on Higher Education provided this data.)

G.

Summary of Capital Budget Priorities:			Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.: <b>1 of 1</b>	Project Name: <b>Walterboro Classroom Building Renovation and New Science Labs</b> Activity Number & Name: <b>534 Operations and Maintenance</b>	Project No*:	<b>2,442,960</b>	0	0	<b>\$2,442,960</b>
TOTAL OF ALL CAPITAL BUDGET PRIORITIES			<b>\$2,442,960</b>	\$ 0	\$ 0	<b>\$2,442,960</b>

\* If applicable

H. Number of Proviso Changes: **NONE**

I. Signature/Agency Contacts/Telephone Numbers:

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**Richard W. Kelly**  
**Vice President and Chief Financial Officer**  
**(803) 777-7481**

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**Leslie G. Brunelli**  
**Budget Director**  
**(803) 777-1967**

## II. DETAILED JUSTIFICATION FOR FY 2007-08 OPERATING BUDGET PRIORITIES

- A. Agency Section/Code/Name: **5KF/H38/ University of South Carolina Salkehatchie**
- B. Priority No. **\_1\_** of **\_2\_**
- C. (1) Title: **Parity Funding – Retention and Recruitment of Faculty and Students**  
(2) Summary Description: **Recurring funding is required for the campus to remain competitive in the recruitment and retention of quality faculty and students. The hiring and retention of faculty is critical to the expansion of academic programs. Support is required for recruiting efforts to increase enrollment from Dorchester and Orangeburg counties. The demographics of the surrounding counties reflect the disparity in socio-economic standards and efforts will be focused on recruitment of those students whose families are in the low-to-middle income ranges.**  
(3) Strategic Goal/Action Plan (*if applicable*): **(1) Recruit faculty necessary to expand core academic programs to enhance student progression to baccalaureate programs. (2) Intensify recruitment activities in local area communities to increase student enrollment.**
- D. Budget Program Number and Name: **Agency-wide**
- E. Agency Activity Number and Name: **529 Instruction: Arts & Sciences and 533 Student Services**
- F. Detailed Justification for Funding  
  
(1) Justification for Funding Increase: **As a regional campus in an economically depressed area of the State, the market for faculty and staff is highly competitive. Recurring funding is necessary to provide stability for the academic programs and for the recruitment of high school students from local area schools. Recruiting efforts with local high schools need to be formalized and maintained on a regular basis so that potential students are identified early in the junior year. This will provide an opportunity for campus faculty/staff to work with the high school teachers, guidance counselors, and school administrators to prepare students for the transition from high school to a two-year campus environment. These recruitment strategies will also be used to expand outreach to the Dorchester and Orangeburg counties. In addition, the campus will begin aggressive recruitment of the non-traditional student to enhance their professional development. In order to attract small business enterprises to the area, prospective employers view an educated workforce as a critical success factor.**

(2)

<b>FY 2007-08 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					0.00
(b) Personal Service		<b>60,000</b>			<b>\$60,000</b>
(c) Employer Contributions		<b>15,000</b>			<b>\$15,000</b>
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses		<b>25,000</b>			<b>\$25,000</b>
<b>Total</b>	<b>\$ 0</b>	<b>\$100,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$100,000</b>
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	<b>\$ 2,149,911</b>
Federal	<b>\$ 1,744,284</b>
Other	<b>\$ 4,413,597</b>

(4) Is this priority associated with a Capital Budget Priority?     **No**     If yes, state Capital Budget Priority Number and Project Name: \_\_\_\_\_.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State    24.24  
Federal    \_\_\_\_\_  
Other    26.03

Agency-wide Vacant FTEs as of July 31, 2006: 5.52  
% Vacant    10.9807%

H. Other Comments:

**The University of South Carolina system experienced the lowest tuition increase in several years, due largely to the support of the General Assembly by funding of the parity issue. If funding of higher education is reduced, the University's Board of Trustees as well as the governing boards of other institutions will be forced to consider a tuition increase to support operations.**

A. Agency Section/Code/Name: **5KF/H38/ University of South Carolina Salkehatchie**

B. Priority No. **\_2\_** of **\_2\_**

C. (1) Title: **Academic and Institution support**

(2) Summary Description: **Recurring funding is required to advance the mission of the Salkehatchie campus to provide a quality academic experience for the traditional and non-traditional student. Recurring funding will also help to increase accessibility to economically and educationally disadvantaged students.**

(3) Strategic Goal/Action Plan (*if applicable*):

D. Budget Program Number and Name: **Agency-wide**

E. Agency Activity Number and Name: **532 Academic Support**  
**533 Student Services**  
**538 Institutional Support**

F. Detailed Justification for Funding

(1) Justification for Funding Increase: **USC Salkehatchie plays an important role in helping the University fulfill its priority of providing students with an educational experience of the highest quality, grounded in the traditional liberal arts. USC Salkehatchie acts as a resource to its five-county area by serving as a focal point for the cultural and intellectual development of the area by providing various cultural, intellectual, economic, and education programs. Its academic, community development, cultural, public service, and recreational programs and services reflect USC Salkehatchie's purpose to enhance and enrich the communities of its service area and to improve the quality of life of its citizens.**

(2)

<b>FY 2007-08 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses		<b>122,696</b>			<b>\$122,696</b>
<b>Total</b>	\$ 0	<b>\$122,696</b>	\$ 0	\$ 0	<b>\$122,696</b>
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State       \$ **2,149,911**  
Federal     \$ **1,744,284**  
Other       \$ **4,413,597**

(4) Is this priority associated with a Capital Budget Priority?       **No**       If yes, state Capital Budget Priority Number and Project Name: \_\_\_\_\_.

G. Detailed Justification for FTEs

(2) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0

(c) Employer Contributions					\$ 0
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(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State 24.24

**Federal** \_\_\_\_\_

Other 26.03

Agency-wide Vacant FTEs as of July 31, 2006: 5.52

% Vacant 10.9807%

H. Other Comments:

**The University of South Carolina strongly supports the South Carolina Commission on Higher Education's number one priority of increased investment in quality outcomes for higher education by increasing the recurring operating funds by \$45 million for all institutions. As institutions strive to meet the demands of a technologically driven society, recurring funding for operations will assist institutions in meeting these challenges and keep tuition increases to a minimum.**

### III. DETAILED JUSTIFICATION FOR CAPITAL BUDGET PRIORITIES

- A. Agency Section/Code/Name: **5KF/H38/USC Salkehatchie**
- B. Priority No. **\_1\_** of **\_1\_**
- C. Strategic Goal/Action Plan (*if applicable*): **Enhance achievement of all goals**
- D. Project Name and Number (*if applicable*): **Walterboro Classroom Building Renovation and New Science Labs**
- E. Agency Activity Number and Name: **534 Operations and Maintenance**
- F. Description of Priority: **The main classroom building in Walterboro is a two-story building that was constructed in the 1920's. The proposed project would provide central HVAC for the building. The project includes the replacement of windows with insulating metal windows which will provide a better thermal envelope for the building. In a similar project on the Allendale campus, we realized a 15.8% decrease in energy costs. The design of the new windows would be in the historic character of the original windows and would have a low maintenance exterior and interior finish. The Walterboro Science Building is a newly acquired facility within the complex. It is a 13,000 sq. ft. single story metal building. The project includes the creation of science labs in this building. The only science lab on the entire campus is located on the second floor of the main classroom building. The equipment and safety features of this lab are over 20 years old and need to be relocated to the newly acquired science building with up-to-date lab equipment and features.**
- G. Detailed Justification for Funding
- (1) Justification for Funding Priority: **The building is currently heated and cooled with window units. A central system will provide for climate control, ease of maintenance, reduce the noise in classrooms, and provide energy savings. The current science labs are currently on the second floor of the main classroom building using equipment and safety features that are over 20 years old.**

(2)

Total Project Cost Estimates:	Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Total Project Cost*	<b>2,442,960</b>			<b>\$2,442,960</b>

\* If additional annual operating costs from any source of funding are anticipated upon project completion please complete Sections H and I (Justification for Additional Future Annual Operating Costs) below.

H. Justification for First Year Additional Future Annual Operating Costs:

(1) Will additional annual operating costs be absorbed into your existing budget? \_\_\_\_

If not, will additional state funds be needed in the future? \_\_\_\_

If state funds will not be needed in the future, explain the source(s) that will be used. \_\_\_\_\_

(2) First Fiscal Year Additional Annual Operating Costs Are Anticipated: \_\_\_\_\_ Will this fiscal year require a partial or full year's operating funds? \_\_\_\_\_ If a partial year's funds are required, what portion of the year does it cover? \_\_\_\_\_

(3)

<b>Additional Annual Operating Cost Details:</b>	<b>State Non-Recurring</b>	<b>State Recurring</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Total Costs:</b>					
(a) Number of FTEs					0.00
(b) Total Personnel Costs					\$ 0
(c) Furniture/Equipment					\$ 0
(d) Other Operating Costs					\$ 0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

I. Justification for First Full Year Additional Future Annual Operating Costs (*If Section H above represents a full year's operating funds, do not complete this section.*)

(1) Will additional annual operating costs be absorbed into your existing budget? \_\_\_\_

If not, will additional state funds be needed in the future? \_\_\_\_

If state funds will not be needed in the future, explain the source(s) that will be used. \_\_\_\_\_

(2) First Full Fiscal Year Additional Annual Operating Costs Are Anticipated: \_\_\_\_

(3)

<b>Additional Annual Operating Cost Details:</b>	<b>State Non-Recurring</b>	<b>State Recurring</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Total Costs:</b>					
(a) Number of FTEs					0.00
(b) Total Personnel Costs					\$ 0
(c) Furniture/Equipment					\$ 0
(d) Other Operating Costs					\$ 0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

J. Other Comments:

**Energy savings of \$5,000 is anticipated as a result of increased utility efficiencies.**

## FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### I. 2% COST SAVINGS ASSESSMENT

- A. Agency Section/Code/Name: **5KF/H38/UNIVERSITY OF SOUTH CAROLINA SALKEHATCHIE**
- B. Agency Activity Number and Name:
- C. Explanation of Cost Savings Initiative: **For fiscal year 2007, the General Assembly took a significant step in funding higher education with the allocation of non-recurring funds to address parity issues as well as the funding provided for the recruitment of faculty at the research institutions. With these additional funds, the USC Board of Trustees held the FY2007 tuition increase to the lowest percentage increase in several years.**
- D. Estimate of Savings:

<b>FY 2007-08 Cost Savings Estimates:</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>				
(a) Number of FTEs				0.00
(b) Personal Service				\$ 0
(c) Employer Contributions				\$ 0
Program/Case Services				\$ 0
Pass-Through Funds				\$ 0
Other Operating Expenses				\$ 0
<b>Total</b>	<b>\$ 42,998</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$42,998</b>

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):  
**If the USC campuses are required to meet a “cost savings” of state appropriated funds in FY2008, a reduction in force plan will be developed and submitted to the South Carolina Office of Human Resources in compliance with regulations established by the**

**Budget and Control Board.** The University’s Board of Trustees may consider other alternatives if a “cost savings” is implemented. The University of South Carolina system has met the challenges of increasing operating costs during a time of dwindling state funding by employing strategic cost savings and prioritization of activities.

F.

Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
Initiative Title:	0	0	0	\$ 0	0	0	0	0.00
Activity Number & Name:								
Initiative Title:	0	0	0	\$ 0	0	0	0	0.00
Activity Number & Name:								
Initiative Title:	0	0	0	\$ 0	0	0	0	0.00
Activity Number & Name:								
TOTAL OF ALL INITIATIVES	\$ 42,998	\$ 0	\$ 0	\$ 42,998	0.00	0.00	0.00	0.00

## FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES

- A. Agency Section/Code/Name: **5KF/H38/UNIVERSITY OF SOUTH CAROLINA SALKEHATCHIE**
- B. Agency Activity Number and Name:
- C. Explanation of Lowest Priority Status: **It is a difficult, if not impossible task to identify the lowest priority activities of the University of South Carolina's campuses since each activity directly supports the mission of teaching, research and public service. The activities reported in the Agency Activity Inventory are based on expenditure classifications established by the National Association of College and University Business Officers (NACUBO) and are standard across higher education. These classifications identify all critical and necessary components of an institutions mission and are not separable. As such, we feel all of our activities are critical to fulfilling the mission of our University.**
- D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
<b>Personnel:</b>						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	0	0	0	0	0	\$ 0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	<b>\$0</b>	<b>\$ 0</b>

- E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

F.

<b>Summary of Priority Assessment of Activities</b>	<b>General</b>	<b>Federal</b>	<b>Supplemental</b>	<b>Capital Reserve</b>	<b>Other</b>	<b>Total</b>	<b>FTEs</b>
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
<b>TOTAL OF LOWEST PRIORITIES</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00</b>